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## VIA ELECTRONIC FILING

Ms. Marlene H. Dortch, Secretary  
Federal Communications Commission  
445 Twelfth Street, SW  
Washington, D.C. 20554

**Re: Ex Parte Letter, *Transforming the 2.5 GHz Band*, WT Docket No. 18-120**

Dear Ms. Dortch:

Central Texas Communications, Inc., Coleman County Telephone Cooperative, Inc., Colorado Valley Communications, Mahaska Communication Group, LLC, Mark Twain Communications Company and Texas RSA 7B3, LLC d/b/a Peoples Wireless (collectively, the “Rural Operators”) as they discussed in their August 8, 2018 and September 7, 2018 comments in the above-referenced proceeding, supports the Federal Communications Commission’s (the “Commission” or “FCC”) proposal for local priority filing windows for spectrum in the 2.5 GHz band.<sup>1</sup> The *Transforming the 2.5 GHz Band* proceeding provides a rare opportunity for rural providers to work with local educational institutions and lease valuable spectrum to reach its under- and un-served citizens. As lessees of EBS spectrum that serve very rural portions of the United States, the Rural Operators know first-hand how invested local carriers are in providing for the communities in which they live and serve. Therefore, the Rural Operators support requiring a “local presence” and more stringent build out standards, and urge the Commission against adopting mechanisms such as an incentive auction that may further the issue of spectrum warehousing.

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<sup>1</sup> See Comments of Rural EBS Coalition, WT Docket No. 18-120 (filed Aug. 8, 2018) (“Rural EBS Coalition Comments”); see also Reply Comments of the Rural EBS Coalition, WT Docket No. 18-120 (filed Sept. 7, 2018) (“Rural EBS Coalition Reply”).

*A Local Presence Requirement Will Lead to Deployment in Rural Areas*

The Rural Operators support the Commission's proposal to allocate 2.5 GHz whitespace by first allowing existing licensees, new educational entities and rural tribal nations with a local presence an opportunity to apply for the whitespace through local priority filing windows. As the Commission explained in the *NPRM*, "[e]ntities with a local presence are part of the communities they wish to serve, and requiring local presence would increase the likelihood that the EBS spectrum would be put to beneficial use for local communities."<sup>2</sup> In addition, while the actual school itself may have access to broadband through Universal Service programs like the E-Rate program,<sup>3</sup> its students rarely have the same access to broadband at home. This is particularly true in rural areas, creating what is frequently referred to as the "homework gap." Local schools are best positioned to understand the needs of their students and are most likely to have a dedication to meeting those needs. For these reasons, the Rural Operators support requiring an applicant to demonstrate a "local presence"<sup>4</sup> and agree with the proposed definition for existing licensees and new educational entities requiring a physical address in the community where service is proposed. The Commission should require that the physical address be associated with a residential or commercial structure owned or leased by the applicant. The Rural Operators urge the Commission to go a step further by requiring existing licensees and new educational entities to demonstrate that it has enrolled students who reside locally.<sup>5</sup> By including enrolled students who reside locally in the definition of local presence, the Commission would be working towards getting the spectrum into the hands of institutions that have an interest in closing the homework gap and meeting the needs of its local community (and not in simply leasing or selling the license for profit).<sup>6</sup>

The Rural Operators previously advocated for a "local presence" requirement in the lessor as well, urging the Commission "to consider focusing not just on the local presence of the licensees but also on the local presence of their lessee partners."<sup>7</sup> While the Rural Operators continue to believe such a requirement would encourage buildout in rural areas, they are satisfied that, in the alternative, the local priority filing windows as proposed in the *NPRM*, coupled with stronger performance requirements as described below, could have a similar effect in ensuring the spectrum is licensed and leased by those who will provide service in rural areas. Since local educational entities are more likely to understand the needs of their community, they are more

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<sup>2</sup> *In re Transforming the 2.5 GHz Band, Notice of Proposed Rulemaking*, WT Docket No. 18-120, at ¶ 31 (rel. May 10, 2018) ("NPRM").

<sup>3</sup> *See Id.* at ¶ 28.

<sup>4</sup> *Id.* at ¶ 29.

<sup>5</sup> The enrolled student requirement would only be applicable to the first and third filing windows for existing licensees and new educational entities. Tribal Nations would need to meet a separate local presence definition of which the Rural Operators hold no position.

<sup>6</sup> Such requirement would advance the FCC goals, as explained by FCC Chairman Ajit Pai of getting "this valuable spectrum into the hands of those who will provide service...particularly in rural areas." *NPRM*, Statement of Chairman Ajit Pai.

<sup>7</sup> Rural EBS Coalition Comments at 1.

likely to partner with a local operator dedicated to meeting those needs. The Rural Operators further believe that the local priority windows will enable faster deployment than an auction, especially given the incentivized applicants with a local presence, and thus, will benefit rural America and work toward closing the digital divide and homework gap.

*Stricter Performance Requirements Prevent Spectrum Warehousing*

As indicated herein, the Rural Operators support the Commission's proposal to heighten the performance requirements for newly allocated 2.5 GHz spectrum.<sup>8</sup> The stricter requirements will prevent spectrum warehousing, an issue that already impedes real deployment in the 2.5 GHz band, and reduce the likelihood of misuse of the filing windows. As the Rural Operators previously stated, even in areas in which EBS spectrum has been assigned, much of the spectrum is leased to speculator and national carrier lessees that are not using the spectrum.<sup>9</sup> In large part this is due to the fact that the FCC's current "substantial service" requirement is extremely lax. Moving forward, the Rural Operators recommend that the Commission impose a more robust performance requirement, which would not only prevent spectrum from lying fallow but would also deter speculators from participating in the whitespace allocation. The Rural Operators agree with the Commission's proposed renewal deadlines, however, the Rural Operators urge the Commission to acknowledge that leasing, permitting and constructing new towers takes time, which may interfere with the interim buildout deadline. Accordingly, the Rural Operators recommend not imposing the interim deadline until year seven (7). With regards to the technical construction requirements, population coverage is better for rural providers than geography-based coverage.

*An Auction Will Hurt Rural Providers and Consumers*

The Rural Operators reiterate that they strongly oppose any type of auction in the 2.5 GHz band, including an incentive auction.<sup>10</sup> Auctions have the ultimate effect of eliminating rural commercial providers from competition because smaller providers have less ability to financially compete against larger, national providers with more resources. Utilizing an auction will only increase large, commercial providers' spectrum holdings, which will not resolve the issue of spectrum lying fallow across the nation, particularly in rural areas. For this reason, the Rural Operators oppose NTCA's assertion that an auction will help close the education gap.<sup>11</sup> Further, an auction, such as the incentive auction recommended by AT&T,<sup>12</sup> would eliminate the educational purpose of the 2.5 GHz band and dismiss the vital insights local educational entities have into the needs of their local communities. Therefore, the Rural Operators oppose an EBS auction, as it will be counterproductive to the Commission's goal of facilitating the provision of broadband services into rural areas in order to bridge the digital divide.

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<sup>8</sup> NPRM at ¶ 54.

<sup>9</sup> Rural EBS Coalition Comments at note 6.

<sup>10</sup> Rural EBS Coalition Reply at 2-3.

<sup>11</sup> NTCA, Notice of *Ex Parte* Presentation, WT Docket No. 18-20 (filed Mar. 8, 2019), 1.

<sup>12</sup> Comments of AT&T, WT Docket No. 18-120 (filed Aug. 8, 2018), 4-8.

*2.5 GHz is More Ideal for Rural Areas*

The Rural Operators note that 2.5 GHz spectrum is more favorable to rural landscapes than 3.5 GHz because it has (1) higher power levels, (2) better propagation characteristics, and (3) existing, market-ready fixed wireless equipment. The Rural Operators emphasize the importance of this point given the associated proceeding for a future auction in the 3.5 GHz band.<sup>13</sup> While the Rural Operators are appreciative of the opportunities the Commission has laid out in the 3.5 GHz band, the Rural Operators have discovered that 3.5 GHz spectrum alone does not penetrate trees, which becomes a major issue in heavily-wooded, rural areas, like much of the Rural Operators' service areas. Rural providers find that 3.5 GHz spectrum, which will be an important part of a rural fixed wireless system, is even more suitable to supplement 2.5 GHz spectrum, which is more ideal for a rural buildout.

Pursuant to Section 1.1206(b) of the Commission's Rules, we are filing this letter electronically in the above-captioned docket. Please contact the undersigned if you have any questions.

Respectfully submitted,



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<sup>13</sup> *In re* Promoting Investment in the 3550-3700 MHz Band, GN Docket No. 17-258.